



SVHCD FINANCE COMMITTEE

AGENDA

TUESDAY, MARCH 27, 2018

5:00 p.m. Regular Session

Location: Schantz Conference Room

Sonoma Valley Hospital, 347 Andrieux Street

Sonoma CA 95476

Call In Number 866-228-9900, guest code 294221

<p>In compliance with the Americans Disabilities Act, if you require special accommodations to participate in a Finance Committee meeting, please contact Interim District Clerk Vivian Woodall at (707) 935.5005 at least 48 hours prior to the meeting.</p>	RECOMMENDATION	
AGENDA ITEM		
<p>MISSION STATEMENT The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community.</p>		
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Nevins</i>	
2. PUBLIC COMMENT SECTION	<i>Nevins</i>	
<p>3. CONSENT CALENDAR • FC Minutes 02.27.18</p>	<i>Nevins</i>	Action
4. REVENUE CYCLE PRESENTATION	<i>Denton</i>	Inform
5. FINANCE COMMITTEE 2018 WORK PLAN	<i>Jensen</i>	Action
6. REVIEW FINANCE COMMITTEE CHARTER	<i>Jensen</i>	Action
7. HEALING AT HOME UPDATE	<i>Jensen</i>	Inform
8. 1206(b) CLINIC UPDATE	<i>Jensen</i>	Inform
9. ADMINISTRATIVE REPORT APRIL 2018	<i>Mather</i>	Inform
10. FINANCIAL REPORT FOR MONTH ENDING FEBRUARY 28, 2018	<i>Jensen</i>	Inform
11. ADJOURN	<i>Nevins</i>	



**SVHCD
FINANCE COMMITTEE MEETING
MINUTES
TUESDAY, FEBRUARY 27, 2018
Schantz Conference Room**

Present	Excused	Staff	Public
Sharon Nevins Joshua Rymer Steve Berezin Susan Porth Keith Hughes via telephone	John Perez Dr. Subhash Mishra	Kelly Mather Ken Jensen Sarah Dungan	Peter Hohorst

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
MISSION & VISION STATEMENT <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>			
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Nevins</i>		
	Called to order 4:59 pm		
2. PUBLIC COMMENT SECTION	<i>Nevins</i>		
	None		
3. CONSENT CALENDAR FC Minutes 01.23.18	<i>Nevins</i>	Action	
		MOTION: by Rymer, 2nd by Berezin. All in favor.	
4. BUDGET ASSUMPTIONS FOR FY 2019	<i>Jensen</i>	Action	
	Ms. Sarah Dungan reviewed the budget assumptions. There was a discussion regarding using 12 month historical rolling actuals or trending for a base. Mr. Jensen said that both are used together. There have been changes in regulations, surgical procedures, and the closing of the Sonoma Developmental Center which have decreased	MOTION: by Porth, 2 nd by Berezin. All in favor.	Ms. Nevins asked for a data trend of discharges, contractual allowances, and patient days for

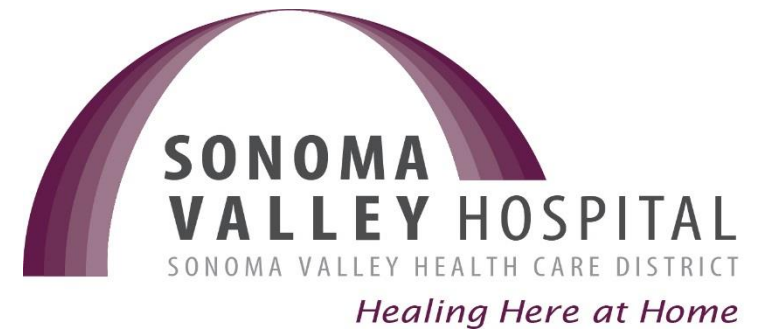
AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
	inpatient volumes. Ms. Porth suggested looking at payer mix trends. Mr. Jensen agreed and said the auditors provide suggestions on trends also. A review and study session will be scheduled in May.		this fiscal year by month.
5. PROPOSED AUDIT ENGAGEMENT BY ARMANINO FOR FY2018, 2019 AND 2020	<i>Jensen</i>	Action	
	Mr. Jensen said the Armanino firm had prepared the Hospital's audit for three years and had sent a proposal for FY2018, 2019 and 2020. He thought that other bids would be significantly higher.	MOTION: by Rymer to recommend to the Board to hire Armanino, 2 nd by Berezin. All in favor.	
6. HEALING AT HOME UPDATE	<i>Jensen</i>	Inform	
	Ms. Mather said SVH has a non-disclosure agreement but is talking with an organization to take over the Hospital's Home Care agency. Staff are being informed this week. A letter of intent will go to the Board, financials will be reviewed after due diligence and revisions will be in the budget around April/May. There was a loss year to date and SVH will no longer have to pay staff benefits, so this is a positive arrangement.		
7. 1206(b) CLINIC UPDATE	<i>Jensen</i>	Inform	
	Ms. Mather said that SVH wants to keep primary care physicians in the community. The Hospital is currently in due diligence with the primary practice of Drs. Mishra, Manuel, and Schafer. They would be under the 1206(b) arrangement; SVH would not be subsidizing them. Management would like to start the clinic July 1, 2018. Separate entities are allowed under SVH's current 1206(b) clinic. Essentially, the Hospital would take over the practice and make it more efficient. The need for another primary care physician is being evaluated.		
5. ADMINISTRATIVE REPORT MARCH 2018	<i>Mather</i>	Inform	
	Ms. Mather said the UCSF affiliation is very positive, and the first Joint Committee meeting will be held March 20, 2018. It will take about 90 days		

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
	<p>to look at strategic priorities.</p> <p>A Woman’s Place has received more referrals in its first two weeks. A new cardiology physician will arrive in June with Dr. Price retiring at the end of the year. She noted that the colors on the metrics page indicate SVH results against national benchmark. SVH goals are usually higher than national benchmark (and the bottom shows prior year goals, not national).</p>		
<p>6. FINANCIAL REPORT FOR MONTH ENDING JANUARY 31, 2018</p>	<p><i>Jensen</i></p>	<p>Inform</p>	
	<p>Mr. Jensen reviewed the payer mix for the month. Commercial dropped to 15% and Medicare went up to 59%. Cash collections were over goal for the month by \$292,600. Accounts Receivable increased to 51.2 days, and Accounts Payable was around 45 days. Inpatient volume was down a bit, ER volume was down but acuity was up again. Total operating revenue was off budget by (\$108,000). Supplies were over budget by (\$130,000), with half of those costs due to implants and half due to additional flu reagents.</p> <p>Mr. Jensen said he may start adding notes on the balance sheet for significant changes.</p>		<p>Mr. Hughes requested a breakdown of outpatient revenue, which will be sent to the Committee.</p>
<p>8. ADJOURN</p>	<p><i>Nevins</i></p>		
			<p>Cynthia Denton to present revenue cycle to Committee.</p> <p>Mr. Jensen to send out work plan for review.</p>
	<p><i>Meeting adjourned at 6:10 pm</i></p>		



Sonoma Valley Health Care District Finance Committee

March 27, 2018



The background of the slide is a golden-yellow color with a dense, repeating pattern of various currency symbols (dollar, euro, yen, pound) in a 3D, embossed style. The symbols are arranged in a way that creates a textured, metallic appearance.

Revenue Cycle & Patient Financial Services

How it all works...



Revenue Cycle Process

The Revenue Cycle Process consists of three components (front, middle and back) and exists to enhance the financial position of the organization and to better serve our patients. We accomplish this by working with all hospital departments and staff to provide revenue cycle specific operations, support and education.

Overview of Revenue Cycle

The Revenue Cycle is a continuous process that begins at Patient Access (Admitting) and is integrated with charge capture, coding patient billing, collections and account resolution:

- Begins with a request for services (physician order) or the **Front End**
- System holds account and collects charges from each respective revenue center. Account is coded by Medical Records at **Mid-Cycle**
- Ends at the time an account is submitted as a claim and is paid by insurance and/or the patient and is closed with a zero balance or the **Back End**

Revenue Cycle Team

Admitting Department

Medical Records Department, HIM

Patient Financial Services



Financial Screening

Financial Counselors provide screening for patients:

- ✓ With no insurance
- ✓ Who are underinsured
- ✓ Responsible for high deductibles and co-payments

Financial Counselors interview patients to find an appropriate payer source:

- ✓ Medi-cal coverage
- ✓ Covered California Exchange
- ✓ Charity Care



Authorizations

- Specific to each payer
- Ensures scheduled services are approved for patient
- Approved for SVH (in network)
- Service(s) must meet medical necessity & payer specific guidelines

Point of Service (POS) Collections

- Patient Access Staff collects:
 - Co-pays
 - Co-insurance
 - Deductibles
 - Deposits
 - Any other patient liability
- Admitting staff engage/communicate with the patient prior to all scheduled services so the patient is informed, in advance of their portion of out-of-pocket costs. Payment arrangements are available.

Charge Capture, OP & IP

Patient receives OP Services

Emergency Room Visit /
Observation

Laboratory /Medical Imaging / OP
Rehab/ Cardiology/Occupational
Health/ Wound Care

OP Surgery or Procedures

Patient is Admitted to IP Unit

Labor & Delivery

Intensive Care Unit (ICU)
Acute Care

Skilled Nursing Unit (IP SNF)

Coding, HIM

- Bill Hold – Paragon system captures all charges and rolls up by Revenue Code for bill
- Coders review physician orders
- Coders review all physician documentation and services provided and code with ICD-10, CPT, and/or HCPCS
- Bill drops to Patient Financial Services



Revenue Integrity

- Ensures comprehensive charge capture for appropriate reimbursement, along with compliance with government/commercial payer rules and regulations
- Focuses on clinical documentation (regulatory perspective) and our internal charge capture processes to prevent revenue loss, denials and scrutiny from auditors
 - *Our physicians and clinicians are the economic engines of the revenue cycle*

Claims Processing

- Electronic billing drops into each billing queue by financial class (Commercial, Medicare, Partnership, Medi-Cal, Worker's Comp)
- Claims are reviewed for revenue integrity (compliance)
- Submitted to Payer
- Collections
- Denial Management
- Appeals
- Cash Posting
- Monthly Reporting
- A/R Benchmarking
- Payer trending, forecasting – what's coming...

SVH Payer Mix

- Medicare = 44.2%
- Medicare, Mdg Care = 12.5%
- Partnership / Medi-Cal = 17.7%
- Commercial = 22%
- Worker's Compensation = 2.2%
- Self-pay = 1.3%

Revenue Reporting

- Monthly Cash Goal = ZBA net rev from previous 60 days
- A/R Days
- Monthly - Late Charge Report
- Monthly – Denials Report
- Monthly – POS Collections
- Monthly – A/R Benchmarking >90 Days (as of Feb 15, 2018)
 - Medicare = 3.5%
 - Partnership/Medi-Cal = 29.4%
 - Medicare Managed Care = 5.0%
 - Commercial = 19.0%
 - Worker's Comp = 7.9%

A vertical decorative bar on the left side of the slide, featuring a gold color and a pattern of embossed financial symbols including the dollar sign (\$), the pound sign (£), the yen sign (¥), and the Euro sign (€).

Sonoma Valley Hospital

Happiness is a Positive Cash Flow!!!

2018 Finance Committee Work Plan

January	February	March	April
<ul style="list-style-type: none"> • December Financials 	<ul style="list-style-type: none"> • January Financials • Review Budget Assumptions • Review current year budget and adjustment plan • Recommend auditor engagement 	<ul style="list-style-type: none"> • February Financials • Review 1st 6-months of capital spending • FY 2019 Budget Update • Engage Auditor's mid-year review • Review 2018 Finance Calendar 	<ul style="list-style-type: none"> • March Financials • FY 2019 Budget Update
May	June	July	August
<ul style="list-style-type: none"> • April Financials • Review June - December capital spending • Review and recommend FY 2019 budget proposal 	<ul style="list-style-type: none"> • May Financials • Review capital spending plan for FY 2019 	<ul style="list-style-type: none"> • June Financials • Review pre audited FY 2018 Financials • Review January - June capital spending 	<ul style="list-style-type: none"> • July Financials • FY 2018 audit update • Risk Assessment update
September	October	November	December
<ul style="list-style-type: none"> • August Financials • FY 2018 audit update • Review current insurance policies 	<ul style="list-style-type: none"> • September Financials • Review preliminary audit results • 1st Quarter capital spending review 	<ul style="list-style-type: none"> • October Financials 	<ul style="list-style-type: none"> • November Financials



SUBJECT: Finance Committee Charter	POLICY #
DEPARTMENT: Board of Directors	PAGE 1 OF 4
APPROVED BY: Board of Directors	EFFECTIVE: 4/5/12
	REVISED: <u>3.26.13</u>

Purpose:

This charter (the “Charter”) sets forth the duties and responsibilities and governs the operations of the Finance Committee (the “Committee”) of the Board of Directors (the “Board”) of Sonoma Valley Healthcare District (the “District”), a nonprofit corporation organized and existing under the California Law.

The Finance Committee’s purpose is to assist the Board in its oversight of the District’s financial affairs, including District’s financial condition, financial planning, operational, and capital budgeting, debt structure, debt financing and refinancing and other significant financial matters involving the District. The Finance Committee is the body which recommends to the District Board on all financial decisions.

Policy:

Duties and Responsibilities

The Committee’s primary duties and responsibilities are as follows:

- A. Review Monthly Financial Operating Performance
 1. Review the District’s monthly financial operating performance. The committee will review the monthly financial statements, including but not limited to the Statement of Revenues and Expenses, Balance Sheet and Statement of Cash Flows, prepared by management. The committee will also review other financial indicators as warranted.
 2. Review management’s plan for improved financial and operational performance including but not limited to new patient care programs, cost management plans, and new financial arrangements. The committee will make recommendations to the Board when necessary.

- B. Budgets
 1. Review and recommend to the Board for approval an annual operating budget for the District.
 2. Review management’s budget assumptions including volume, growth, inflation and other budget assumptions.
 3. Review and recommend to the Board for approval an annual capital expenditures budget for



SUBJECT: Finance Committee Charter	POLICY #
	PAGE 2 OF 4
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the District. If deemed appropriate by the Committee, review and recommend to the Board for approval projected capital expenditures budgets for one or more succeeding years.

C. Debt, Financing and Refinancing

1. Evaluate and monitor the District's long and short-term indebtedness, debt structure, collateral or security, therefore, cash flows, and uses and applications of funds.
2. Evaluate and recommend to the Board for approval proposed new debt financing, including lines of credit, financings and refinancing, including (i) interest rate and whether the rate will be fixed or floating rate; (ii) collateral or security, if any; (iii) issuance costs; (iv) banks, investment banks, and underwriters retained or compensated by the District in connection with any financing or refinancing.
3. Review and recommend to the Board all guarantees or other obligations for the indebtedness of any third party.

D. Insurance

1. Review on an annual basis all insurance coverage's, including (i) identity and rating of carriers; (ii) premiums; (iii) retentions; (iv) self-insurance; (v) stop-loss policies; and (vi) all other aspects of insurance coverage for healthcare institutions.

E. Investment Policies

1. Review and recommend to the Board the District's cash management and cash investment policies, utilizing the advice of financial consultants as the Committee deems necessary or desirable.
2. Review and recommend to the Board the District's investment policies relating to assets of any employee benefit plans maintained and controlled by the District, utilizing the advice of financial consultants as the Committee deems necessary or desirable.

F. General

1. Review and recommend the services of all outside financial advisors, financial consultants, banks, investment banks, and underwriters for the District. Review annually the District's significant commercial and investment bank relationships.
2. Perform any other duties and responsibilities as the Board may deem necessary, advisable



SUBJECT: Finance Committee Charter	POLICY #
DEPARTMENT: Board of Directors	PAGE 3 OF 4
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or appropriate for the Committee to perform.

3. Perform such other duties and responsibilities as the Committee deems appropriate to carry out its purpose as provided in this Charter.
4. Meet on a monthly basis preceding the Board meeting concerning the District's financial affairs. Urgent and time sensitive matters shall be reported at the next regular or special Board meeting.
5. The Finance Committee will be invited to attend the presentation by the District's independent auditors.
6. The Finance Committee shall review the Charter annually after the close of the fiscal year, or more often if required. If revisions are needed, they will be taken to the Board for action.
7. The Finance Committee shall report to the District Board on the status of its prior fiscal year's work plan accomplishments by after the completion of the Financial Statement Audit.



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Organization

The Committee’s membership, the chairperson, the call and conduct of Committee meetings, the preparation of Committee minutes, and the Committee’s other activities shall be appointed, conducted and accomplished in accordance with applicable provisions of the Bylaws and the Corporate Governance Principles adopted by the Board. The committee’s membership is subject to the Approval of the District Board. The membership shall include the following:

- 1. Two (2) Board Members, one being the Treasurer
- 2. Six (6) District Citizens
- 3. At least one (1) member of the Medical Staff
- 4. District’s Chief Executive Officer (non-voting)
- 5. District’s Chief Financial Officer (non-voting)

Performance Evaluation

The Committee shall prepare and review with the Board an annual performance evaluation of the Committee, which evaluation shall compare the performance of the Committee with the requirements of this Charter. The performance evaluation shall also recommend to the Board any amendments to this Charter deemed necessary or desirable by the Committee. The performance evaluation shall be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the chairperson or any other member of the Committee designated by the Committee to make the report.

Resources and Authority of the Committee

The Finance Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the responsibility to recommend to select, retain, terminate, and approve the engagement and other retention terms of special counsel or other experts or consultants, as it deems appropriate.

Amendment

This Charter shall not be amended except upon approval by the Board.
| Adopted by the Board on April 5, 2012.



To: SVH Finance Committee
From: Ken Jensen, CFO
Date: March 27, 2018
Subject: Financial Report for the Month Ending February 28, 2018

The financial performance continues to not meet budgeted expectations. Inpatient days, deliveries and outpatient volumes are well under those anticipated. The inpatient days have been impacted by the loss of approximately two admissions per month from SDC and approximately eight admissions from Napa State Hospital. Expense savings implemented in January have proven effective but not enough to fully cover the loss of revenue for February. There was a loss of income in October due to the fires approximating \$300,000.

During the month of February the hospital's volume was significantly under budgeted expectations primarily in inpatient services which was under budget by 26.7%. For the month of February the hospital accrued for a Rate Range IGT for the fiscal year 2016-17 which will net \$379,124 to the hospital and ACA AB915 supplemental payments due to the hospital for FY 2014-15 and 2015-16 totaling \$300,813. The hospital expects the supplemental payments in May or June.

The actual loss of (\$557,022) from operations for February was (\$240,396) unfavorable to the budgeted loss of (\$316,626). After accounting for all other activity, February's net loss was (\$174,796) vs. the budgeted net income of \$97,076 with a monthly EBIDA of 0.3% vs. a budgeted 5.2%.

Gross patient revenue for February was \$19,385,667, (\$3,739,996) under budget. Inpatient gross revenue was under budget by (\$1,871,174). Inpatient days were under budget by (136) days and inpatient surgeries were under budgeted expectations by (14) cases. Outpatient revenue was under budget by (\$706,863). Outpatient visits were under budgeted expectations by (840) visits, and outpatient surgeries were over budgeted expectations by 20 cases. The Emergency Room gross revenue was under budget by (\$529,609) with ER visits under budgeted expectations by (108) visits. SNF gross charges were under budgeted expectations by (629,101) and SNF patient days were under budget by (177) days. Home Health was under budget by (\$3,249) with visits under budget by (74) visits which is due to seeing a reduced number of Kaiser HHA patients.

Gross revenue from surgical implants in February is \$326,665 with \$98,786 from inpatient surgeries and \$227,879 from outpatient surgeries, and total implant costs were (\$145,791). The net, before any revenue deductions, is \$180,874.



Deductions from revenue were favorable to budgeted expectations by \$3,511,195. Of the variance, \$997,851 is from the accrual of the FY 2016-17 Rate Range IGT of \$947,810 (net after matching fee is \$379,124), accrual of the Prime Grant of \$62,500, and ACA Medi-Cal supplemental payments for FY 2014-15 and 2015-16 totaling \$300,813. Without the IGT variance, the deductions from revenue variance is favorable by \$2,513,344 which is due to the gross revenue being under budgeted expectations.

The variance was also impacted by a negative shift in payer mix with Medicare and Medi-Cal volume increasing by 2.7 and 2.1 percentage points, respectively, over budget and Commercial volume dropping by 3.1 percentage points.

After accounting for all other operating revenue, the **total operating revenue** was unfavorable to budgeted expectations by (\$253,210).

Operating Expenses of \$5,269,883 were favorable to budget by \$12,814. (\$482,253) of the variance is due to the matching fee of (\$568,686) for the FY 2016-17 Rate Range IGT in which the hospital will receive \$947,810 in May. Without the IGT matching fee, the operating expenses would have an overall positive variance of \$495,067. Salaries and wages and agency fees were under budget by 306,939. Salaries and wages were under budget by \$309,666 and agency fees were over budget by (\$2,727). Professional fees were over budget by (\$32,868) primarily due to non-budgeted consulting fees offset by lower administration and management salaries. Supplies and purchased services are both under budget in the month of February due to the hospital's lower volume.

For the month of February, the hospital saved \$116,552 attributable to the cost savings plan implemented January 1, 2018. See attachment I for details.

After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net loss for February was (\$319,703) vs. a budgeted net loss of (\$66,659). The total net loss for February after all activity was (\$174,796) vs. a budgeted net income of \$97,076.

EBIDA for the month of February was 0.3% vs. the budgeted 5.2%.

Patient Volumes – February

	ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
Acute Discharges	82	109	-27	97
Newborn Discharges	11	13	-2	12
Acute Patient Days	289	425	-136	415
SNF Patient Days	494	671	-177	607
Home Care Visits	821	895	-74	922
OP Gross Revenue	\$12,519	\$13,743	(\$1,224)	\$12,189
Surgical Cases	139	133	6	127

Gross Revenue Overall Payer Mix – February

	ACTUAL	BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Medicare	44.0%	46.5%	-2.5%	44.2%	45.6%	-1.4%
Medicare Mgd Care	15.2%	10.0%	5.2%	12.9%	9.9%	3.0%
Medi-Cal	19.8%	17.7%	2.1%	18.0%	17.9%	0.1%
Self Pay	0.7%	1.2%	-0.5%	1.2%	1.2%	0.0%
Commercial	16.7%	19.8%	-3.1%	19.3%	20.4%	-1.1%
Workers Comp	1.7%	2.8%	-1.1%	2.2%	3.0%	-0.8%
Capitated	1.9%	2.0%	-0.1%	2.2%	2.0%	0.2%
Total	100.0%	100.0%		100.0%	100.0%	

Cash Activity for February:

For the month of February the cash collection goal was \$3,676,355 and the Hospital collected \$3,219,691 or under the goal by (\$456,664). The year-to-date cash collection goal was \$28,794,616 and the Hospital has collected \$29,027,671 or over goal by 233,055. Days of cash on hand are 14.1 days at February 28, 2018. Accounts Receivable decreased from January, from 51.2 days to 46.5 days in February. Accounts Payable increased by \$80,518 from January and Accounts Payable days are at 46.4.

ATTACHMENTS:

- Attachment A is the Payer Mix Analysis which includes the projected collection percentage by payer.
- Attachment B is the Operating Indicators Report
- Attachment C is the Balance Sheet
- Attachment D (two pages) is the Statement of Revenue and Expense. The first page breaks out the hospital operations and page two includes all other activity.
- Attachment E is the Variance Analysis. The line number tie to the Statement of Revenue and Expense line numbers and explains any significant variances.
- Attachment F are the graphs for Revenue and Accounts Payable.
- Attachment G is the Statistical Analysis
- Attachment H is the Cash Forecast
- Attachment I is the Cash Savings from cost reduction plan implemented 1/1/2018

Sonoma Valley Hospital
Payer Mix for the month of February 28, 2018

ATTACHMENT A

February-18

YTD

Gross Revenue:	Actual	Budget	Variance	% Variance
Medicare	8,529,734	10,733,015	-2,203,281	-20.5%
Medicare Managed Care	2,948,042	2,301,127	646,915	28.1%
Medi-Cal	3,833,481	4,090,093	-256,612	-6.3%
Self Pay	134,325	276,343	-142,018	-51.4%
Commercial & Other Government	3,238,119	4,604,370	-1,366,251	-29.7%
Worker's Comp.	329,727	660,097	-330,370	-50.0%
Capitated	372,239	460,618	-88,379	-19.2%
Total	19,385,667	23,125,663	(3,739,996)	

	Actual	Budget	Variance	% Variance
Medicare	77,044,294	82,780,250	-5,735,956	-6.9%
Medicare Managed Care	22,257,984	18,071,469	4,186,515	23.2%
Medi-Cal	31,157,552	32,509,834	-1,352,282	-4.2%
Self Pay	2,148,210	2,249,070	-100,860	-4.5%
Commercial & Other Government	33,613,839	37,124,386	-3,510,547	-9.5%
Worker's Comp.	3,766,646	5,488,844	-1,722,198	-31.4%
Capitated	3,890,248	3,690,058	200,190	5.4%
Total	173,878,773	181,913,911	(8,035,138)	

Net Revenue:	Actual	Budget	Variance	% Variance
Medicare	1,251,132	1,579,459	-328,327	-20.8%
Medicare Managed Care	466,128	295,430	170,698	57.8%
Medi-Cal	495,733	597,755	-102,022	-17.1%
Self Pay	61,952	165,806	-103,854	-62.6%
Commercial & Other Government	920,144	1,674,993	-754,849	-45.1%
Worker's Comp.	67,045	170,608	-103,563	-60.7%
Capitated	16,669	21,404	-4,735	-22.1%
Prior Period Adj/IGT	1,311,123	313,272	997,851	318.5%
Total	4,589,926	4,818,727	(228,801)	-4.7%

	Actual	Budget	Variance	% Variance
Medicare	11,788,101	12,516,132	-728,031	-5.8%
Medicare Managed Care	3,249,632	2,320,173	929,459	40.1%
Medi-Cal	4,462,606	4,449,686	12,920	0.3%
Self Pay	1,096,566	1,128,485	-31,919	-2.8%
Commercial & Other Government	11,140,329	13,517,409	-2,377,080	-17.6%
Worker's Comp.	809,792	1,343,698	-533,906	-39.7%
Capitated	117,173	126,096	-8,923	-7.1%
Prior Period Adj/IGT	3,730,566	2,506,176	1,224,390	48.9%
Total	36,394,765	37,907,855	(1,513,090)	-4.0%

Percent of Net Revenue:	Actual	Budget	Variance	% Variance
Medicare	27.3%	32.8%	-5.5%	-16.8%
Medicare Managed Care	10.2%	6.2%	4.0%	64.5%
Medi-Cal	39.3%	18.9%	20.4%	107.9%
Self Pay	1.3%	3.4%	-2.1%	-61.8%
Commercial & Other Government	20.0%	34.8%	-14.8%	-42.5%
Worker's Comp.	1.5%	3.5%	-2.0%	-57.1%
Capitated	0.4%	0.4%	0.0%	0.0%
Total	100.0%	100.0%	0.0%	0.0%

	Actual	Budget	Variance	% Variance
Medicare	32.4%	33.0%	-0.7%	-2.1%
Medicare Managed Care	8.9%	6.1%	2.8%	45.9%
Medi-Cal	22.5%	18.3%	4.2%	23.0%
Self Pay	3.0%	3.0%	0.0%	0.0%
Commercial & Other Government	30.7%	35.8%	-5.1%	-14.2%
Worker's Comp.	2.2%	3.5%	-1.3%	-37.1%
Capitated	0.3%	0.3%	0.0%	0.0%
Total	100.0%	100.0%	-0.1%	-0.1%

Projected Collection Percentage:	Actual	Budget	Variance	% Variance
Medicare	14.7%	14.7%	0.0%	0.0%
Medicare Managed Care	15.8%	12.8%	3.0%	23.4%
Medi-Cal	47.1%	22.3%	24.8%	111.2%
Self Pay	46.1%	60.0%	-13.9%	-23.2%
Commercial & Other Government	28.4%	36.4%	-8.0%	-22.0%
Worker's Comp.	20.3%	25.8%	-5.5%	-21.3%
Capitated	4.5%	4.6%	-0.1%	-2.2%

	Actual	Budget	Variance	% Variance
Medicare	15.3%	15.1%	0.2%	1.3%
Medicare Managed Care	14.6%	12.8%	1.8%	14.1%
Medi-Cal	26.3%	21.4%	4.9%	22.9%
Self Pay	51.0%	50.2%	0.8%	1.6%
Commercial & Other Government	33.1%	36.4%	-3.3%	-9.1%
Worker's Comp.	21.5%	24.5%	-3.0%	-12.2%
Capitated	3.0%	3.4%	-0.4%	-11.8%

**SONOMA VALLEY HOSPITAL
OPERATING INDICATORS
For the Period Ended February 28, 2018**

ATTACHMENT B

	<u>CURRENT MONTH</u>				<u>YEAR-TO-DATE</u>			<u>YTD</u>
	<u>Actual 02/28/18</u>	<u>Budget 02/28/18</u>	<u>Favorable (Unfavorable) Variance</u>		<u>Actual 02/28/18</u>	<u>Budget 02/28/18</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Prior Year 02/28/17</u>
				Inpatient Utilization				
				Discharges				
1	71	91	(20)	Acute	613	723	(110)	722
2	11	18	(7)	ICU	119	130	(11)	91
3	82	109	(27)	Total Discharges	732	853	(121)	813
4	11	13	(2)	Newborn	74	113	(39)	93
5	93	122	(29)	Total Discharges inc. Newborns	806	966	(160)	906
				Patient Days:				
6	225	315	(90)	Acute	1,936	2,496	(560)	2,469
7	64	110	(46)	ICU	659	801	(142)	794
8	289	425	(136)	Total Patient Days	2,595	3,297	(702)	3,263
9	19	27	(8)	Newborn	128	232	(104)	171
10	308	452	(144)	Total Patient Days inc. Newborns	2,723	3,529	(806)	3,434
				Average Length of Stay:				
11	3.2	3.5	(0.3)	Acute	3.2	3.5	(0.3)	3.4
12	5.8	6.2	(0.4)	ICU	5.5	6.2	(0.6)	8.7
13	3.5	3.9	(0.4)	Avg. Length of Stay	3.5	3.9	(0.3)	4.0
14	1.7	2.0	(0.3)	Newborn ALOS	1.7	2.0	0.3	1.8
				Average Daily Census:				
15	8.0	11.3	(3.2)	Acute	8.0	10.3	(2.3)	10.2
16	2.3	3.9	(1.6)	ICU	2.7	3.3	(0.6)	3.3
17	10.3	15.2	(4.9)	Avg. Daily Census	10.7	13.6	(2.9)	13.4
18	0.7	1.0	(0.3)	Newborn	0.53	0.95	(0.4)	0.70
				Long Term Care:				
19	494	671	(177)	SNF Patient Days	4,302	4,516	(214)	4,452
20	31	29	2	SNF Discharges	236	198	38	241
21	17.6	24.0	(6.3)	Average Daily Census	17.7	18.6	(0.9)	18.3
				Other Utilization Statistics				
				Emergency Room Statistics				
22	811	919	(108)	Total ER Visits	7,104	7,318	(214)	7,250
				Outpatient Statistics:				
23	3,996	4,836	(840)	Total Outpatients Visits	34,910	37,248	(2,338)	36,177
24	16	30	(14)	IP Surgeries	213	260	(47)	291
25	123	103	20	OP Surgeries	1,015	801	214	755
26	75	33	42	Special Procedures	528	247	281	339
27	821	895	(74)	Home Health Visits	6,293	7,439	(1,146)	7,428
28	319	342	(23)	Adjusted Discharges	2,649	2,671	(23)	2,702
29	2,212	2,705	(493)	Adjusted Patient Days (Inc. SNF)	18,864	19,857	(993)	19,745
30	79.0	96.6	(17.6)	Adj. Avg. Daily Census (Inc. SNF)	77.6	81.7	(4.1)	81.3
31	1.3440	1.4000	(0.056)	Case Mix Index -Medicare	1.5272	1.4000	0.127	1.6689
32	1.2960	1.4000	(0.104)	Case Mix Index - All payers	1.4712	1.4000	0.071	1.5432
				Labor Statistics				
33	274	280	5.8	FTE's - Worked	276	284	7.8	280
34	305	320	14.4	FTE's - Paid	313	324	11.4	318
35	43.20	47.27	4.07	Average Hourly Rate	42.51	42.59	0.08	40.14
36	22.0	18.9	(3.2)	Manhours / Adj. Pat Day	23.0	22.6	(0.4)	22.3
37	152.7	149.2	(3.5)	Manhours / Adj. Discharge	163.7	168.2	4.5	162.9
38	23.5%	22.2%	-1.4%	Benefits % of Salaries	22.6%	22.2%	-0.4%	23.1%
				Non-Labor Statistics				
39	10.3%	10.3%	-0.1%	Supply Expense % Net Revenue	11.8%	10.5%	-1.3%	12.1%
40	1,519	1,483	(36)	Supply Exp. / Adj. Discharge	1,667	1,526	(141)	1,631
41	17,020	15,910	(1,110)	Total Expense / Adj. Discharge	16,400	16,251	(149)	15,280
				Other Indicators				
42	14.1			Days Cash - Operating Funds				
43	46.5	50.0	(3.5)	Days in Net AR	46.9	50.0	(3.1)	50.6
44	88%			Collections % of Net Revenue	101%			107.5%
45	46.4	55.0	(8.6)	Days in Accounts Payable	46.4	55.0	(8.6)	18.0
46	24.2%	21.4%	2.8%	% Net revenue to Gross revenue	21.5%	21.4%	0.1%	21.1%
47	21.5%			% Net AR to Gross AR	21.5%			21.2%

Sonoma Valley Health Care District
Balance Sheet
As of February 28, 2018

ATTACHMENT C

	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
Assets			
Current Assets:			
1 Cash	\$ 1,493,055	\$ 2,993,592	\$ 4,331,056
2 Trustee Funds	4,041,283	3,718,674	2,699,211
3 Net Patient Receivables	8,440,995	8,921,743	7,543,693
4 Allow Uncollect Accts	(1,216,076)	(1,290,889)	(1,179,316)
5 Net A/R	7,224,919	7,630,854	6,364,377
6 Other Accts/Notes Rec	1,747,039	2,282,090	2,515,774
7 3rd Party Receivables, Net	1,350,988	542,175	961,331
8 Inventory	841,098	839,552	834,899
9 Prepaid Expenses	903,043	917,891	793,790
10 Total Current Assets	<u>\$ 17,601,425</u>	<u>\$ 18,924,828</u>	<u>\$ 18,500,438</u>
12 Property, Plant & Equip, Net	\$ 52,296,982	\$ 52,456,786	\$ 53,830,783
13 Specific Funds/ Money Market	1,019,441	819,334	259,348
14 Other Assets	-	-	-
15 Total Assets	<u><u>\$ 70,917,848</u></u>	<u><u>\$ 72,200,948</u></u>	<u><u>\$ 72,590,569</u></u>
Liabilities & Fund Balances			
Current Liabilities:			
16 Accounts Payable	\$ 3,608,560	\$ 3,528,042	\$ 2,841,397
17 Accrued Compensation	4,622,919	4,693,869	4,572,173
18 Interest Payable	525,747	634,656	110,266
19 Accrued Expenses	1,361,944	1,489,000	1,428,041
20 Advances From 3rd Parties	160,739	483,787	100,376
21 Deferred Tax Revenue	2,269,400	2,836,750	1,987,635
22 Current Maturities-LTD	1,245,911	1,265,517	1,269,797
23 Line of Credit - Union Bank	6,973,734	6,973,734	5,923,734
24 Other Liabilities	1,386	1,386	1,051,386
25 Total Current Liabilities	<u>\$ 20,770,340</u>	<u>\$ 21,906,741</u>	<u>\$ 19,284,805</u>
26 Long Term Debt, net current portion	\$ 35,192,924	\$ 35,164,827	\$ 37,625,526
Fund Balances:			
28 Unrestricted	\$ 10,817,584	\$ 10,992,380	\$ 11,904,381
29 Restricted	4,137,000	4,137,000	3,775,858
30 Total Fund Balances	<u>\$ 14,954,584</u>	<u>\$ 15,129,380</u>	<u>\$ 15,680,238</u>
31 Total Liabilities & Fund Balances	<u><u>\$ 70,917,848</u></u>	<u><u>\$ 72,200,948</u></u>	<u><u>\$ 72,590,569</u></u>

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended February 28, 2018**

	Month					Year-To-Date				YTD	
	This Year		Variance			This Year		Variance			Prior Year
	Actual	Budget	\$	%		Actual	Budget	\$	%		
Volume Information											
1	82	109	(27)	-25%	Acute Discharges	732	852	(120)	-14%	813	
2	494	671	(177)	-26%	SNF Days	4,302	4,516	(214)	-5%	4,452	
3	821	895	(74)	-8%	Home Care Visits	6,293	7,439	(1,146)	-15%	7,428	
4	12,519	13,743	(1,224)	-9%	Gross O/P Revenue (000's)	\$ 110,190	\$ 110,302	(112)	0%	\$ 104,572	
Financial Results											
Gross Patient Revenue											
5	\$ 5,040,612	\$ 6,911,786	(1,871,174)	-27%	Inpatient	\$ 47,536,281	\$ 55,180,705	(7,644,424)	-14%	\$ 51,648,447	
6	6,740,544	7,447,407	(706,863)	-9%	Outpatient	59,871,866	58,547,545	1,324,321	2%	54,160,326	
7	5,479,072	6,008,681	(529,609)	-9%	Emergency	48,103,137	49,342,172	(1,239,035)	-3%	48,010,544	
8	1,820,536	2,449,637	(629,101)	-26%	SNF	16,068,197	16,285,468	(217,271)	-1%	15,429,940	
9	304,903	308,152	(3,249)	-1%	Home Care	2,299,292	2,558,021	(258,729)	-10%	2,604,590	
10	\$ 19,385,667	\$ 23,125,663	(3,739,996)	-16%	Total Gross Patient Revenue	\$ 173,878,773	\$ 181,913,911	(8,035,138)	-4%	\$ 171,853,847	
Deductions from Revenue											
11	\$ (15,804,864)	\$ (18,497,601)	2,692,737	15%	Contractual Discounts	\$ (139,843,827)	\$ (145,531,376)	5,687,549	4%	\$ (137,530,448)	
12	(300,000)	(100,000)	(200,000)	-200%	Bad Debt	(1,253,000)	(800,000)	(453,000)	-57%	(940,000)	
13	(2,000)	(22,607)	20,607	91%	Charity Care Provision	(117,747)	(180,856)	63,109	35%	(233,293)	
14	1,311,123	313,272	997,851	*	Prior Period Adj/Government Program Revenue	3,730,566	2,506,176	1,224,390	*	2,102,167	
15	\$ (14,795,741)	\$ (18,306,936)	3,511,195	-19%	Total Deductions from Revenue	\$ (137,484,008)	\$ (144,006,056)	6,522,048	-5%	\$ (136,601,574)	
Net Patient Service Revenue											
16	\$ 4,589,926	\$ 4,818,727	(228,801)	-5%	Risk contract revenue	\$ 973,003	\$ 1,028,168	(55,165)	-5%	\$ 1,039,566	
17	\$ 106,306	\$ 128,521	(22,215)	-17%	Net Hospital Revenue	\$ 37,367,768	\$ 38,936,023	(1,568,255)	-4%	\$ 36,291,839	
18	\$ 4,696,232	\$ 4,947,248	(251,016)	-5%	Other Op Rev & Electronic Health Records	\$ 132,726	\$ 150,584	(17,858)	-12%	\$ 277,359	
19	\$ 16,629	\$ 18,823	(2,194)	-12%	Total Operating Revenue	\$ 37,500,494	\$ 39,086,607	(1,586,113)	-4%	\$ 36,569,198	
20	\$ 4,712,861	\$ 4,966,071	(253,210)	-5%	Operating Expenses						
21	\$ 2,104,934	\$ 2,411,873	306,939	13%	Salary and Wages and Agency Fees	\$ 18,434,216	\$ 19,139,531	705,315	4%	\$ 17,667,629	
22	807,808	903,838	96,030	11%	Employee Benefits	6,976,315	7,173,137	196,822	3%	7,020,662	
23	\$ 2,912,742	\$ 3,315,711	402,969	12%	Total People Cost	\$ 25,410,531	\$ 26,312,668	902,137	3%	\$ 24,688,291	
24	\$ 442,199	\$ 409,331	(32,868)	-8%	Med and Prof Fees (excl Agency)	\$ 3,328,230	\$ 3,275,301	(52,929)	-2%	\$ 3,095,864	
25	484,809	507,194	22,385	4%	Supplies	4,415,859	4,076,755	(339,104)	-8%	4,407,770	
26	282,267	375,929	93,662	25%	Purchased Services	2,921,405	3,010,864	89,459	3%	2,455,920	
27	289,188	282,312	(6,876)	-2%	Depreciation	2,285,413	2,258,496	(26,917)	-1%	2,244,109	
28	90,176	101,622	11,446	11%	Utilities	827,457	812,976	(14,481)	-2%	798,342	
29	31,819	27,614	(4,205)	-15%	Insurance	254,552	220,912	(33,640)	-15%	237,279	
30	43,403	42,624	(779)	-2%	Interest	378,578	361,271	(17,307)	-5%	326,854	
31	124,594	133,927	9,333	7%	Other	964,064	1,103,608	139,544	13%	1,087,622	
32	568,686	86,433	(482,253)	*	Matching Fees (Government Programs)	1,344,441	691,464	(652,977)	-94%	747,361	
33	\$ 5,269,883	\$ 5,282,697	12,814	0%	Operating expenses	\$ 42,130,530	\$ 42,124,315	(6,215)	0%	\$ 40,089,412	
34	\$ (557,022)	\$ (316,626)	(240,396)	-76%	Operating Margin	\$ (4,630,036)	\$ (3,037,708)	(1,592,328)	-52%	\$ (3,520,214)	

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended February 28, 2018**

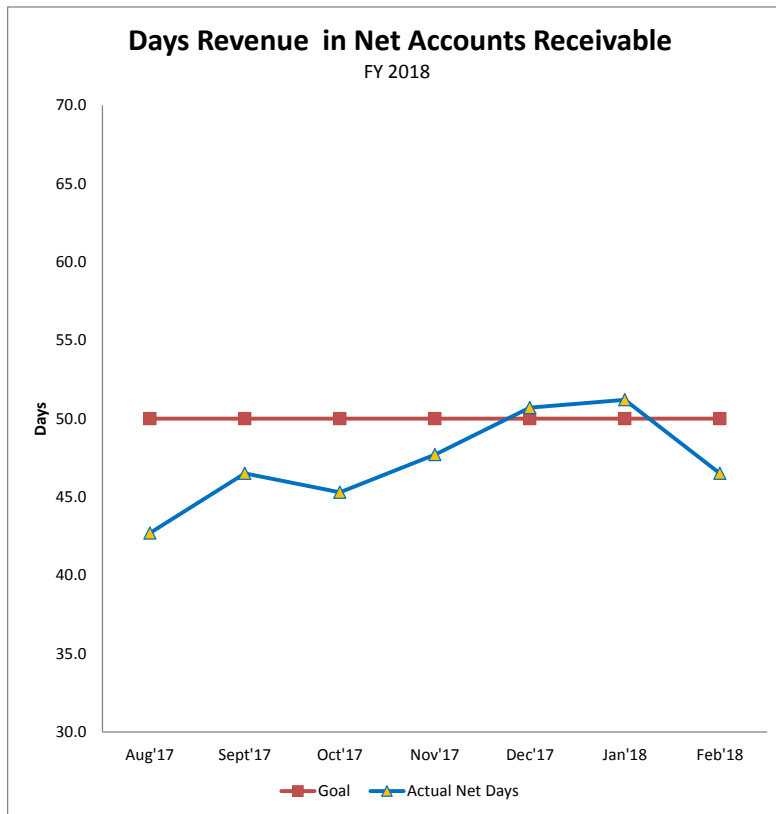
	Month					Year-To-Date				YTD	
	This Year		Variance			This Year		Variance			Prior Year
	Actual	Budget	\$	%		Actual	Budget	\$	%		
35	\$ (22,582)	\$ (12,017)	(10,565)	88%						\$ (92,917)	
36	-	-	-	0%						76,167	
37	(56,766)	(54,683)	(2,083)	4%						(300,000)	
38	316,667	316,667	-	0%						2,000,378	
39	0	0	-	0%							
40	<u>\$ 237,319</u>	<u>\$ 249,967</u>	<u>(12,648)</u>	<u>-5%</u>						<u>\$ 1,683,628</u>	
41	<u>\$ (319,703)</u>	<u>\$ (66,659)</u>	<u>(253,044)</u>	<u>380%</u>	Non Operating Rev and Expense						
					Miscellaneous Revenue/(Expenses)	\$ (44,168)	\$ (103,769)	59,601	*	\$ (92,917)	
					Donations	23,156	-	23,156	0%	76,167	
					Physician Practice Support-Prima	(454,128)	(437,464)	(16,664)	4%	(300,000)	
					Parcel Tax Assessment Rev	2,533,336	2,533,336	-	0%	2,000,378	
					Extraordinary Items	(26,875)	0	(26,875)	0%		
					Total Non-Operating Rev/Exp	<u>\$ 2,031,321</u>	<u>\$ 1,992,103</u>	<u>66,093</u>	<u>2%</u>	<u>\$ 1,683,628</u>	
					Net Income / (Loss) prior to Restricted Contributions	<u>\$ (2,598,715)</u>	<u>\$ (1,045,605)</u>	<u>(1,526,235)</u>	<u>146%</u>	<u>\$ (1,836,586)</u>	
42	\$ -	\$ 18,828	(18,828)	-100%	Capital Campaign Contribution	\$ 108,081	\$ 124,156	(16,075)	-13%	\$ 178,095	
43	\$ -	\$ -	-	0%	Restricted Foundation Contributions	\$ 149,785	\$ -	149,785	100%	\$ -	
44	<u>\$ (319,703)</u>	<u>\$ (47,831)</u>	<u>(271,872)</u>	<u>568%</u>	Net Income / (Loss) w/ Restricted Contributions	<u>\$ (2,340,849)</u>	<u>\$ (921,449)</u>	<u>(1,419,400)</u>	<u>154%</u>	<u>\$ (1,658,491)</u>	
45	250,683	250,683	-	0%	GO Bond Tax Assessment Rev	2,005,464	2,005,464	-	0%	1,975,272	
46	(105,776)	(105,776)	-	0%	GO Bond Interest	(850,698)	(850,698)	-	0%	(897,771)	
47	<u>\$ (174,796)</u>	<u>\$ 97,076</u>	<u>(271,872)</u>	<u>-280%</u>	Net Income/(Loss) w GO Bond Activity	<u>\$ (1,186,083)</u>	<u>\$ 233,317</u>	<u>(1,419,400)</u>	<u>-608%</u>	<u>\$ (580,990)</u>	
	\$ 12,888	\$ 258,277			EBIDA - Not including Restricted Contributions	\$ 65,276	\$ 1,574,162			\$ 734,377	
	0.3%	5.2%				0.2%	4.0%			2.0%	
	\$ (30,515)	\$ 215,653			EBDA - Not including Restricted Contributions	\$ (313,302)	\$ 1,212,891				
	-0.6%	4.3%				-0.8%	3.1%				

Sonoma Valley Health Care District
Statement of Revenue and Expenses Variance Analysis
For the Period Ended February 28, 2018

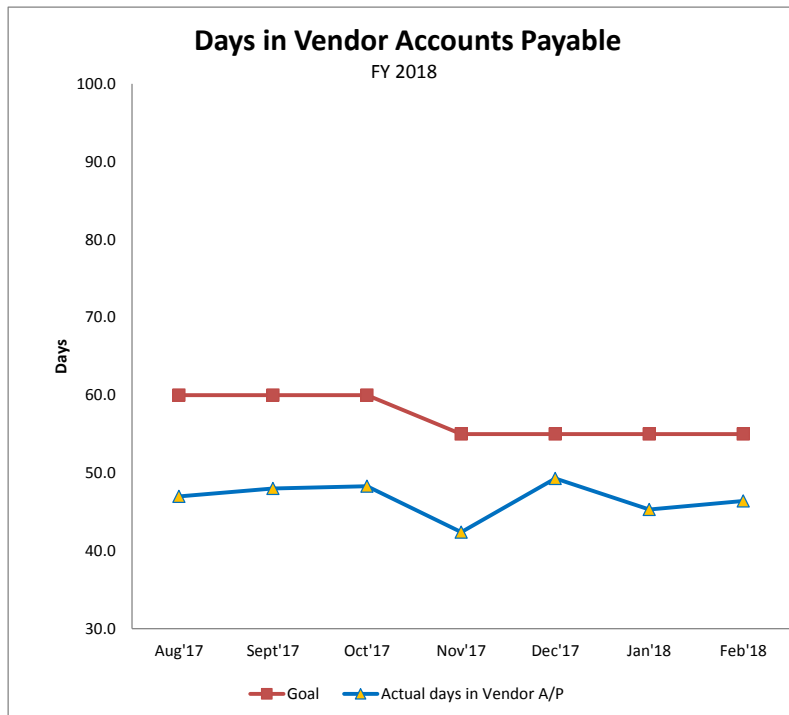
	YTD	MONTH	
Description	Variance	Variance	
Volume Information			
1 Acute Discharges	(120)	(27)	
2 SNF Days	(214)	(177)	
3 Home Care Visits	(1,146)	(74)	
4 Gross O/P Revenue (000's)	(112)	(1,224)	
Financial Results			
Gross Patient Revenue			
5 Inpatient	(7,644,424)	(1,871,174)	Inpatient days are 289 days vs. budgeted expectations of 425 days and inpatient surgeries are 16 vs. budgeted expectations 30.
6 Outpatient	1,324,321	(706,863)	Outpatient visits are 3,996 vs. budgeted expectations of 4,836 visits and outpatient surgeries are 123 vs. budgeted expectations 103.
7 Emergency	(1,239,035)	(529,609)	ER visits are 811 vs. budgeted visits of 919.
8 SNF	(217,271)	(629,101)	SNF patient days are 494 vs. budgeted expected days of 671.
9 Home Care	(258,729)	(3,249)	HHA visits are 821 vs. budgeted expectations of 895.
10 Total Gross Patient Revenue	(8,035,138)	(3,739,996)	
Deductions from Revenue			
11 Contractual Discounts	5,687,549	2,692,737	
12 Bad Debt	(453,000)	(200,000)	
13 Charity Care Provision	63,109	20,607	
14 Prior Period Adj/Government Program Revenue	1,224,390	997,851	Accrued \$62,500 for the prime grant, \$947,810 for 16-17 Rate Range IGT (Matching fee in line 32, net \$379,124), ACA Medi-Cal supplemental for 14-15 \$162,259, and ACA Medi-Cal supplemental for 15-16 \$138,554.
15 Total Deductions from Revenue	6,522,048	3,511,195	
16 Net Patient Service Revenue	(1,513,090)	(228,801)	
17 Risk contract revenue	(55,165)	(22,215)	
18 Net Hospital Revenue	(1,568,255)	(251,016)	
19 Other Op Rev & Electronic Health Records	(17,858)	(2,194)	
20 Total Operating Revenue	(1,586,113)	(253,210)	
Operating Expenses			
21 Salary and Wages and Agency Fees	705,315	306,939	Salaries and Wages are under budget by \$309,666 and the Agency fees are over budget by (\$2,727).
22 Employee Benefits	196,822	96,030	PTO is under budget by \$47,920 and employee benefits are under budget by \$47,920.
23 Total People Cost	902,137	402,969	
24 Med and Prof Fees (excl Agency)	(52,929)	(32,868)	Chief Revenue Officer was moved from employee to consultant (\$17,680) and dietary consultant (\$11,200) .
25 Supplies	(339,104)	22,385	Supplies services are under budgeted expectations due to lower volume in February.
26 Purchased Services	89,459	93,662	Purchased services are under budgeted expectations due to lower volume in February.
27 Depreciation	(26,917)	(6,876)	
28 Utilities	(14,481)	11,446	
29 Insurance	(33,640)	(4,205)	
30 Interest	(17,307)	(779)	
31 Other	139,544	9,333	
32 Matching Fees (Government Programs)	(652,977)	(482,253)	Matching fees for 16-17 Rate Range IGT of \$568,686
33 Operating expenses	(6,215)	12,814	
34 Operating Margin	(1,592,328)	(240,396)	
Non Operating Rev and Expense			
35 Miscellaneous Revenue	59,601	(10,565)	
36 Donations	23,156	-	
37 Physician Practice Support-Prima	(16,664)	(2,083)	
38 Parcel Tax Assessment Rev	-	-	
39 Extraordinary Items	(26,875)	-	
40 Total Non-Operating Rev/Exp	66,093	(12,648)	
		-	

Sonoma Valley Health Care District
Statement of Revenue and Expenses Variance Analysis
For the Period Ended February 28, 2018

	YTD	MONTH
Description	Variance	Variance
41 Net Income / (Loss) prior to Restricted Contributions	(1,526,235)	(253,044)
	-	-
42 Capital Campaign Contribution	(16,075)	(18,828)
43 Restricted Foundation Contributions	149,785	-
44 Net Income / (Loss) w/ Restricted Contributions	(1,419,400)	(271,872)
	-	-
45 GO Bond Tax Assessment Rev	-	-
46 GO Bond Interest	-	-
	-	-
47 Net Income/(Loss) w GO Bond Activity	(1,419,400)	(271,872)



Days in A/R	Aug'17	Sept'17	Oct'17	Nov'17	Dec'17	Jan'18	Feb'18
Actual days in A/R	42.7	46.5	45.3	47.7	50.7	51.2	46.5
Goal	50.0	50.0	50.0	50.0	50.0	50.0	50.0



Days in A/P	Aug'17	Sept'17	Oct'17	Nov'17	Dec'17	Jan'18	Feb'18
Actual days in Vendor A/P	47.0	48.0	48.3	42.4	49.3	45.3	46.4
Goal	60.0	60.0	60.0	55.0	55.0	55.0	55.0

Sonoma Valley Hospital
Statistical Analysis
FY 2018

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	ACTUAL	BUDGET	ACTUAL												
	Feb-18	Feb-18	Jan-18	Dec-17	Nov-17	Oct-17	Sep-17	Aug-17	Jul-17	Jun-17	May-17	Apr-17	Mar-17	Feb-17	Jan-17
Statistics															
Acute															
Acute Patient Days	289	425	394	386	321	315	325	325	240	346	388	368	415	415	465
Acute Discharges (w/o Newborns)	82	109	111	96	99	87	87	94	76	87	100	89	119	97	119
SNF Days	494	671	646	563	468	624	479	500	528	458	559	512	572	607	592
HHA Visits	821	895	801	798	630	871	789	713	870	940	966	934	849	922	877
Emergency Room Visits	811	919	996	919	816	827	921	894	920	964	1,069	921	941	851	1,000
Gross Outpatient Revenue (000's)	\$12,519	\$13,743	\$14,741	\$14,051	\$12,952	\$11,864	\$14,364	\$15,524	\$14,175	\$15,454	\$15,523	\$13,168	\$15,098	\$12,189	\$13,500
Equivalent Patient Days	2,212	2,705	2,629	2,471	2,030	2,334	2,266	2,591	2,332	2,328	2,654	2,227	2,537	2,553	2,618
Births	11	13	7	10	11	12	5	10	6	15	7	11	12	12	11
Surgical Cases - Inpatient	16	30	32	24	34	23	33	22	29	36	30	47	40	26	38
Surgical Cases - Outpatient	123	103	109	136	121	97	154	142	133	161	143	124	149	101	110
Total Surgical Cases	139	133	141	160	155	120	187	164	162	197	173	171	189	127	148
Total Special Procedures	75	33	65	59	73	52	75	77	52	66	58	44	36	41	28
Medicare Case Mix Index	1.34	1.40	1.50	1.57	1.55	1.49	1.54	1.57	1.65	1.66	1.69	1.64	1.45	1.52	1.47
Income Statement															
Net Revenue (000's)	\$4,590	\$4,819	4,909	4,466	4,474	4,543	4,518	4,775	4,988	5,188	5,330	4,924	5,283	4,266	\$4,528
Operating Expenses (000's)	\$5,270	\$5,283	\$5,357	\$5,122	\$5,332	\$4,872	\$5,206	\$5,380	\$5,592	\$5,250	\$5,678	\$5,308	\$5,395	\$4,803	\$5,026
Net Income (000's)	(\$175)	\$97	\$ 125	\$ (226)	\$ (380)	\$ 62	\$ (230)	\$ (165)	\$ (198)	\$ 690	\$ 16	\$ (24)	\$ 304	\$ 308	\$ (108)
Productivity															
Total Operating Expense Per Equivalent Patient Day	\$2,382	\$1,953	\$2,038	\$2,073	\$2,627	\$2,087	\$2,297	\$2,076	\$2,398	\$2,255	\$2,139	\$2,383	\$2,127	\$1,881	\$1,920
Productive FTEs	274	280	276	255	316	246	289	279	271	278	291	285	294	294	280
Non-Productive FTE's	31	40	36	52	13	58	27	35	47	43	28	28	28	28	36
Total FTEs	305	320	312	307	329	304	316	314	318	321	319	313	322	322	316
FTEs per Adjusted Occupied Bed	3.87	3.31	3.68	3.85	4.86	4.04	4.19	3.75	4.23	4.14	3.73	4.22	3.93	3.54	3.74
Balance Sheet															
Days of Expense In General Operating Cash	14.1		24	18	14	12	9	11	16	20	19	11	16	27	20
Net Days of Revenue in AR	47	50	51	51	48	45	47	43	45	45	44	47	44	46	50

Sonoma Valley Hospital
Cash Forecast
FY 2018

	Actual July	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Actual Dec	Actual Jan	Actual Feb	Forecast Mar	Forecast Apr	Forecast May	Forecast Jun	TOTAL
Hospital Operating Sources													
1 Patient Payments Collected	4,502,585	4,253,229	4,093,599	4,253,616	3,890,115	3,814,761	4,401,932	3,677,850	4,706,455	4,422,606	4,357,338	4,451,807	50,825,894
2 Capitation Revenue	133,404	128,220	128,530	131,210	128,781	122,912	93,640	106,306	93,640	93,640	93,640	93,640	1,347,562
3 Napa State	39,561	4,166	35,361	26,125	5,181	21,341	30,259	-	20,762	20,762	20,762	20,762	245,042
4 Other Operating Revenue	10,971	25,415	37,380	30,930	42,863	35,092	33,639	57,291	18,823	18,823	18,823	18,827	348,876
5 Other Non-Operating Revenue	26,914	38,081	68,232	33,898	48,014	43,511	47,501	9,459					315,611
6 Unrestricted Contributions		8,478	150			19,590	835						29,953
7 Line of Credit													-
Sub-Total Hospital Sources	4,713,435	4,457,589	4,363,253	4,475,779	4,114,954	4,057,207	4,607,806	3,850,906	4,839,680	4,555,831	4,490,563	4,585,036	53,112,038
Hospital Uses of Cash													
8 Operating Expenses	5,146,037	5,273,336	5,040,006	4,799,145	5,326,497	4,701,617	4,944,257	4,794,729	4,828,396	4,790,340	4,987,721	4,920,733	59,552,814
9 Add Capital Lease Payments	52,503	186,389	69,999	179,596	109,938	70,502	45,558	181,715	102,944	103,364	103,786	169,180	1,375,474
10 Additional Liabilities								375,000					375,000
11 Capital Expenditures	15,965	56,034	1,755	88,906	88,829	59,065	546,421						856,975
Total Hospital Uses	5,214,505	5,515,759	5,111,761	5,067,647	5,525,264	4,831,184	5,536,236	5,351,443	4,931,340	4,893,704	5,091,507	5,089,913	62,160,263
Net Hospital Sources/Uses of Cash	(501,070)	(1,058,171)	(748,508)	(591,868)	(1,410,310)	(773,977)	(928,430)	(1,500,538)	(91,660)	(337,873)	(600,944)	(504,877)	(9,048,225)
Non-Hospital Sources													
12 Restricted Cash/Capital Donations		527,977	(727,205)	(100,755)	382,167	417	551,467	-	18,828	662,514	(772,244)	18,828	561,994
13 Parcel Tax Revenue	152,275		1,500,000			482,664	532,571			1,267,429			3,934,939
14 Payment - South Lot				(25,205)		(25,205)			(24,658)			(24,932)	(100,000)
15 Other:													-
16 IGT (Net)				1,877,696							947,810		2,825,506
17 IGT - AB915							811,535		138,554		162,259		1,112,348
18 PRIME					1,350,000						150,000		1,500,000
Sub-Total Non-Hospital Sources	152,275	527,977	772,795	1,751,736	1,732,167	457,876	1,895,573	-	132,724	1,929,943	487,825	(6,104)	9,834,787
Non-Hospital Uses of Cash													
19 Matching Fees		509,543	266,212	675,000						643,686			2,094,441
Sub-Total Non-Hospital Uses of Cash	-	509,543	266,212	675,000	-	-	-	-	-	643,686	-	-	2,094,441
Net Non-Hospital Sources/Uses of Cash	152,275	18,434	506,583	1,076,736	1,732,167	457,876	1,895,573	-	132,724	1,286,257	487,825	(6,104)	7,740,346
Net Sources/Uses	(348,795)	(1,039,737)	(241,925)	484,868	321,857	(316,101)	967,143	(1,500,538)	41,064	948,384	(113,119)	(510,981)	
Cash and Equivalents at beginning of period	3,166,281	2,817,486	1,777,750	1,535,825	2,020,693	2,342,550	2,026,449	2,993,592	1,493,055	1,534,119	2,482,503	2,369,384	
Cash and Equivalents at end of period	2,817,486	1,777,750	1,535,825	2,020,693	2,342,550	2,026,449	2,993,592	1,493,055	1,534,119	2,482,503	2,369,384	1,858,403	

Sonoma Valley Hospital
Cash Forecast
FY 2018

ATTACHMENT H

	Actual July - Dec	Actual Jan	Actual Feb	Forecast Mar	Forecast Apr	Forecast May	Forecast Jun	TOTAL
Hospital Operating Sources								
1 Patient Payments Collected	24,807,906	4,401,932	3,677,850	4,706,455	4,422,606	4,357,338	4,451,807	50,825,894
2 Capitation Revenue	773,056	93,640	106,306	93,640	93,640	93,640	93,640	1,347,562
3 Napa State	131,735	30,259	-	20,762	20,762	20,762	20,762	245,042
4 Other Operating Revenue	182,650	33,639	57,291	18,823	18,823	18,823	18,827	348,876
5 Other Non-Operating Revenue	258,651	47,501	9,459	-	-	-	-	315,611
6 Unrestricted Contributions	28,218	835	-	-	-	-	-	29,053
7 Line of Credit	-	-	-	-	-	-	-	-
Sub-Total Hospital Sources	26,182,217	4,607,806	3,850,906	4,839,680	4,555,831	4,490,563	4,585,036	53,112,038
Hospital Uses of Cash								
8 Operating Expenses	30,286,638	4,944,257	4,794,729	4,828,396	4,790,340	4,987,721	4,920,733	59,552,814
10 Add Capital Lease Payments	668,927	45,558	181,715	102,944	103,364	103,786	169,180	1,375,474
11 Additional Liabilities	-	-	375,000	-	-	-	-	375,000
12 Capital Expenditures	310,554	546,421	-	-	-	-	-	856,975
Total Hospital Uses	31,266,120	5,536,236	5,351,443	4,931,340	4,893,704	5,091,507	5,089,913	62,160,263
Net Hospital Sources/Uses of Cash	(5,083,903)	(928,430)	(1,500,538)	(91,660)	(337,873)	(600,944)	(504,877)	(9,048,225)
Non-Hospital Sources								
13 Restricted Cash/Capital Donations	82,601	551,467	-	18,828	662,514	(772,244)	18,828	561,994
14 Parcel Tax Revenue	2,134,939	532,571	-	-	1,267,429	-	-	3,934,939
15 Payment - South Lot	(50,410)	-	-	(24,658)	-	-	(24,932)	(100,000)
16 Other:	-	-	-	-	-	-	-	-
17 IGT	1,877,696	-	-	-	-	947,810	-	2,825,506
18 IGT - AB915 (Net)	-	811,535	-	138,554	-	162,259	-	1,112,348
19 PRIME	1,350,000	-	-	-	-	150,000	-	1,500,000
Sub-Total Non-Hospital Sources	5,394,826	1,895,573	-	132,724	1,929,943	487,825	(6,104)	9,834,787
Non-Hospital Uses of Cash								
20 Matching Fees	1,450,755	-	-	-	643,686	-	-	2,094,441
Sub-Total Non-Hospital Uses of Cash	1,450,755	-	-	-	643,686	-	-	2,094,441
Net Non-Hospital Sources/Uses of Cash	3,944,071	1,895,573	-	132,724	1,286,257	487,825	(6,104)	7,740,346
Net Sources/Uses	(1,139,832)	967,143	(1,500,538)	41,064	948,384	(113,119)	(510,981)	
Cash and Equivalents at beginning of period	3,166,281	2,026,449	2,993,592	1,493,055	1,534,119	2,482,503	2,369,384	
Cash and Equivalents at end of period	2,026,449	2,993,592	1,493,055	1,534,119	2,482,503	2,369,384	1,858,403	

Sonoma Valley Hospital
 Schedule of Cash Savings from Cost Reduction Plan
 For the months of January and February 2018

ATTACHMENT I

			Savings			
Department	Department	Job Code	Jan-18	Feb-18	Total	Notes
7290	Home Health	Total department	\$ 23,660	\$ 34,779	\$ 58,439	Cost reduction, net
7721	Respiratory Therapy	0000 - Management	727	909	1,636	Cardiopulmonary Manager
7770	Rehab	0000 - Management	9,431	9,008	18,439	Consolidation of Rehab managers (New hire in February)
8361/8750	CareTransitions/Quality	0000 - Management	2,872	3,015	5,887	Chief of Quality
8480	IT	0000 - Management	10,523	10,390	20,913	IT Manager
8510	Accounting	0000 - Management	8,386	6,828	15,214	Controller
8610	Administration	0000 - Management	6,120	6,243	12,363	CFO (.8 to .5)
8710	Medical Staff	0000 - Management	13,807	12,178	25,985	CMO/CMIO (To be replaced by UCSF CMO)
9550	Community Health	0000 - Management	3,787	3,602	7,389	Wellness Coordinator
		Gross Salary savings	\$ 79,313	\$ 86,952	\$ 166,265	
		Employer portion FICA	6,067	6,652	12,719	
		Health Benefits	16,511	22,948	39,459	
		Total Savings	\$ 101,891	\$ 116,552	\$ 218,443	